



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
-----------------	-------------	----------------------	---------------------	------------------

10/626,148

07/24/2003

David Ciano

058420-005

9317

27805

7590

10/16/2007

THOMPSON HINE L.L.P.
Intellectual Property Group
P.O. BOX 8801
DAYTON, OH 45401-8801

EXAMINER

HOEL, MATTHEW D

ART UNIT

PAPER NUMBER

3714

MAIL DATE

DELIVERY MODE

10/16/2007

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

10/626,148

Applicant(s)

CIANCIO ET AL.

Examiner

Matthew D. Hoel

Art Unit

3714

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 17 July 2007.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-45 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-45 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____

DETAILED ACTION

Claim Rejections - 35 USC § 103

1. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

2. The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

3. Claims 1 to 24 and 26 to 45 are rejected under 35 U.S.C. 103(a) as being obvious over Suzuki (U.S. patent 5,053,957 A) in view of Walker, et al. (U.S. patent 6,128,599 A).

4. As to Claim 1: '957 teaches a method for operating a reward program comprising the steps of establishing a plurality of product categories, receiving an indication of selected ones of the product categories, tracking a customer's purchases in at least the selected product categories, and providing a reward to the customer based at least in part upon the customer's purchases in the selected product categories over a discrete period of time (Abst., Fig. 13, the discrete period of time being the purchase by the

Art Unit: 3714

customer, transaction, Col. 4, Lines 42 to 46). '599, however, discloses tracking a cumulative customer's purchases over a plurality of discrete purchase transactions over a discrete period of time (Abst.). It would have been obvious to one of ordinary skill in the art at the time the invention was made to have applied the cumulative purchases of '599 to the reward system of '957. '957 gives price discounts to buyers of different levels (guest price, member price, employee price, and stock holder price, Fig. 13). Tracking the cumulative purchases over a time period would have the advantage and effect of rewarding the purchasers for making cumulative purchases would establish profitability for the store or chain by establishing a steady stream of business and provide the buyer with discounts on items the purchaser actually finds useful. Corresponding these buyers of different levels to the affinity groups of '599 would serve to provide an incentive for the members of these buyer levels to purchase above a purchase threshold by giving them a discount for doing so, in addition to the incentive provided by the buyer level discounts of '957 (Fig. 13). The rewards over a cumulative period of '599 would be particularly advantageous as it would not be a one-time reward like the method taught by '957. Although the method of '957 is implemented on a cash register, this does not pertain to the claim language, and the combination of '957's discount levels and '599's cumulative tracking and rewards would most likely be carried out by multiple registers over a network ('599, Fig. 1). The product categories taught in '957 (Fig. 4) are exemplary only and could be modified such that each category corresponds to one of the affinity groups of '599. For example, a camping club could have memberships to buy camping goods at a sporting goods store, a fishing club could

have memberships to buy bait and tackle at the sporting goods store, and a bicycling club could have memberships to buy bicycles and related equipment at the store. This combination would have the further advantage of giving buyers an incentive to move to the next level, because the discounts would be cumulative in effect.

5. As to Claim 2: '957 receives the product category selection from the customer in the form of the products actually purchased by the customer (Abst., Figs. 7, 10).

6. As to Claim 3: '957 receives the product category selection as selected by the operating store ("goods" key pressed, Col. 6, Lines 29 to 35).

7. As to Claim 4: The selected product categories of '957 can be less than all of the product categories (code of good 3 entered separately from code of good 2, Col. 6, Lines 29 to 56, so the products are entered separately, so the product category selection is less than all of the product categories).

8. As to Claim 5: In the case of '957, Col. 6, Lines 29 to 56, the reward is based solely upon the categories of goods 2 and 3, actually purchased by the customer.

9. As to Claim 6: '957 tracks purchases made by the customer in each of a plurality of product categories (Abst, Fig. 13). '599 teaches a plurality of discrete purchase transactions over a period (Abst.).

10. As to Claim 7: '957 receives the product category selection before the tracking step in Fig. 5, Steps 116 to 123 (goods key pressed in step 116 before tracking steps 119 to 123 which total purchases made so far).

11. As to Claim 8: It is possible in '957 for the receiving step to be made after the tracking step in the event that the temporary change key in step 102 is pressed before

the goods key 116 (customer level changed temporarily before transactions rung up, Col. 4, Lines 47 to 64).

12. As to Claim 9: '957 discloses all of the elements of Claim 9, but lacks specificity as to providing a reward only if a customer has made sufficient purchases that exceed a purchase threshold. '599, however, teaches providing a reward only if a customer has made sufficient purchases that exceed a purchase threshold (1% reward up to \$150,00 in purchases, 2% reward for purchases over \$150,000, Fig. 5).

13. As to Claim 10: '599 determines the reward based upon customer purchases in the selected categories after the purchase threshold is exceeded (Fig. 8, award distributed in step 820 after determination of target achievement made in step 818).

14. As to Claim 11: The customer of '599 is notified after the purchase threshold has been exceeded (periodic statement, Col. 10, Lines 36 to 50).

15. As to Claim 12: '957 discloses printing on the customer's purchase receipt, the total amount of the customers purchases to date that qualify for awards (Fig. 16). '599 teaches rewarding the customer based on purchase levels to date (Fig. 5). '599 issues a periodic statement to the customer indicating the performance target, the target period, and the reward terms to the player (Col. 10, Lines 36 to 50).

16. As to Claim 13: '957 teaches the reward being store credit in the form of store discounts (Col. 1, Lines 44 to 54).

17. As to Claim 14: The reward of '599 is based at least in part upon a percentage of all or a portion of the customer's purchases in each of the selected product categories (1% reward for purchases up to \$150,000 and 2% for over \$150,000).

18. As to Claim 15: '957 recognizes the selected product categories and enters the product categories into the computer system (goods 2 and goods 3 entered into the computer system, Col. 3, Line 65 to Col. 4, Line 10).

19. As to Claim 16: '957 links the selected product categories to the customer account (total purchases in each category, Fig. 10). '599 teaches a permanent customer account maintained beyond any individual transaction (credit card accounts, Fig. 1).

20. As to Claim 17: '957 recognizes products by scanning a bar code (Col. 7, Lines 1 to 9).

21. As to Claim 18: '957 recognizes products marked with bar codes and recognizes which category they are in (Fig. 10; Col. 7, Lines 1 to 9). '957 teaches product categories comprising discrete products (Fig. 4; the product categories are broad, so the discrete products are thus inherent).

22. As to Claim 19: '957 discloses printing on the customer's purchase receipt, the total amount of the customers purchases to date that qualify for awards (Fig. 16). '599 teaches rewarding the customer based on purchase levels to date (Fig. 5). '599 issues a periodic statement to the customer indicating the performance target, the target period, and the reward terms to the player (Col. 10, Lines 36 to 50).

23. As to Claim 20: '957 is inherently capable of recognizing when the customer has selected a new product category as the customer is able to select less than all of the available product categories or all of the available product categories (Figs. 7, 10, 16).

24. As to Claim 21: '599 teaches providing an award based on purchases after a quarterly reward period is over (first row of table, Fig. 5).
25. As to Claim 22: '599 sets a target aggregate quarterly charge volume if the accessed aggregate quarterly charge volume is below a minimum (Col. 8, Line 60 to Col. 9, Line 29, especially Table I).
26. As to Claim 23: '599 teaches carrying out the rewards for a plurality of customers (affinity groups, Abst.).
27. As to Claim 24: '957 teaches a method for operating a reward program comprising the steps of establishing a plurality of product categories, receiving an indication of selected ones of the product categories as selected by a customer, tracking the customer's purchases in the selected categories, and providing a reward to the customer (Abst., Fig. 13). '599 teaches providing a reward only if a customer has made sufficient purchases that exceed a purchase threshold (1% reward up to \$150,00 in purchases, 2% reward for purchases over \$150,000, Fig. 5). '599 teaches providing an award based on purchases after a quarterly reward period is over (first row of table, Fig. 5).
28. As to Claim 26: '957 teaches at least one computer programmed to track the amounts of customer purchases in a plurality of predetermined product categories for a plurality of customers, and to calculate a reward for each customer based at least in part upon the customer purchases in selected ones of the predetermined product categories (Abst., Fig. 13, Col. 1, Lines 44 to 54). '599 discloses tracking a cumulative

customer's purchases over a plurality of discrete purchase transactions over a discrete period of time (Abst.).

29. As to Claim 27: '957 receives the product category selection from the customer in the form of the products actually purchased by the customer (Abst., Figs. 7, 10).

30. As to Claim 28: '957 receives the product category selection as selected by the operating store ("goods" key pressed, Col. 6, Lines 29 to 35).

31. As to Claim 29: '599 teaches providing a reward only if a customer has made sufficient purchases that exceed a purchase threshold (1% reward up to \$150,00 in purchases, 2% reward for purchases over \$150,000, Fig. 5). '599 determines the reward based upon customer purchases in the selected categories after the purchase threshold is exceeded (Fig. 8, award distributed in step 820 after determination of target achievement made in step 818).

32. As to Claim 30: '599 teaches a plurality of checkout terminals located in at least one store and coupled to at least one computer, wherein each checkout terminal can identify the products purchased by the computer and transfer such information to the at least one computer (plural points of sale networked to central database, Col. 4, Lines 22 to 49).

33. As to Claim 31: '957 teaches a bar code scanner operatively coupled to at least one computer, wherein the bar code scanner can identify selected ones of the product categories (Col. 7, Lines 1 to 7).

34. As to Claim 32: '599 teaches a database of customer information the database including customer identifying information for each customer and reward information associated with each customer, the database being readable by the computer (Fig. 4).

35. As to Claim 33: '957 teaches a software device for operating on a computer and for tracking and calculating customer rewards, the software including a tracking module for tracking the amounts of customer purchases in the plurality of predetermined product categories for a plurality of customers and a calculating module for calculating a reward for each customer based at least in part upon the customer purchases in selected ones of the predetermined product categories (Abst., Fig. 13, Col. 1, Lines 44 to 54). '599 discloses tracking a cumulative customer's purchases over a plurality of discrete purchase transactions over a discrete period of time (Abst.).

36. As to Claim 34: '957 receives the product category selection from the customer in the form of the products actually purchased by the customer (Abst., Figs. 7, 10).

37. As to Claim 35: '957 receives the product category selection as selected by the operating store ("goods" key pressed, Col. 6, Lines 29 to 35).

38. As to Claim 36: The software of '957 is stored on a computer-readable medium (ROM, RAM, Fig. 1).

39. As to Claims 37 and 41: The receiving step of '957 is inherently separate from the purchase as the categories for the promotion are decided upon by the store prior to any purchase by the customer.

40. As to Claim 38: '599 teaches a promotion over a plurality of purchases (Abst.).

41. As to Claims 39 and 40: '957 teaches product categories comprising discrete products (Fig. 4; the product categories are broad, so the discrete products are thus inherent).

42. As to Claim 42: '599 (Abst.) teaches the promotion taking place over a period of time. It would inherently include several trips to the store as the period can be weeks, months, or quarters. Alternately, it would have been obvious to one of ordinary skill in the art at the time the invention was made to have required the customer to return for multiple visits. This would have the advantage and effect of preventing the store's stock from being depleted by a small number of purchasers, as this could hurt the store by giving it a reputation for being out of merchandise, as well as to allow the store to build a purchasing profile of the customer by monitoring the customer's purchases over a period of time instead of just one large purchase. Such information would allow the store to customize promotions to individual patrons. People who purchase products of different types could be given discounts or coupons based on the product categories they buy.

43. As to Claims 43 and 44: The promotional periods taught by '599 (Abst.) take place over a period of time and are longer than the period of time for a single transaction.

44. As to Claim 45: This claim is rejected for the same reasons as Claim 1, except that it teaches only one selected category instead of plural categories.

Art Unit: 3714

45. Claim 25 is rejected under 35 U.S.C. 103(a) as being unpatentable over '957 and '599 in view of Walker, et al. (U.S. patent 6,018,718 A).

46. As to Claim 25: The combination of '957 and '599 discloses all of the elements of Claim 25, but lacks specificity as to providing a window of time wherein the customer reward may be used, and wherein the reward does not accumulate during the window of time. '599 teaches providing an award based on purchases after a quarterly reward period is over (first row of table, Fig. 5). '718, however, teaches providing a window of time wherein the customer reward may be used, and wherein the reward does not accumulate during the window of time (APR reductions for fixed numbers of months based on minimum monthly transactions, Fig. 4). It would have been obvious to one of ordinary skill in the art at the time the invention was made to have applied the reward redemption period of '718 to the combination of '957 and '599. The limited award redemption period of '718 is analogous to the limited reward achievement period of '599 (providing an award based on purchases after a quarterly reward period is over, first row of table, Fig. 5). This combination would have the advantage and effect of limiting the liability for the business of having too many outstanding customer rewards that can be cashed out at any time and providing an incentive for the customers to patronize the business by encouraging them to redeem their reward points in a timely manner, preventing them from losing interest.

Response to Arguments

47. Applicant's arguments filed 7/17/2007 have been fully considered but they are not persuasive. '599 discloses tracking a cumulative customer's purchases over a plurality of discrete purchase transactions over a discrete period of time (Abst.). It would have been obvious to one of ordinary skill in the art at the time the invention was made to have applied the cumulative purchases of '599 to the reward system of '957. '957 gives price discounts to buyers of different levels (guest price, member price, employee price, and stock holder price, Fig. 13). Tracking the cumulative purchases over a time period would have the advantage and effect of rewarding the purchasers for making cumulative purchases would establish profitability for the store or chain by establishing a steady stream of business and provide the buyer with discounts on items the purchaser actually finds useful. Corresponding these buyers of different levels to the affinity groups of '599 would serve to provide an incentive for the members of these buyer levels to purchase above a purchase threshold by giving them a discount for doing so, in addition to the incentive provided by the buyer level discounts of '957 (Fig. 13). The rewards over a cumulative period of '599 would be particularly advantageous as it would not be a one-time reward like the method taught by '957. Although the method of '957 is implemented on a cash register, this does not pertain to the claim language, and the combination of '957's discount levels and '599's cumulative tracking and rewards would most likely be carried out by multiple registers over a network ('599, Fig. 1). The product categories taught in '957 (Fig. 4) are exemplary only and could be modified such that each category corresponds to one of the affinity groups of '599. For

Art Unit: 3714

example, a camping club could have memberships to buy camping goods at a sporting goods store, a fishing club could have memberships to buy bait and tackle at the sporting goods store, and a bicycling club could have memberships to buy bicycles and related equipment at the store. This combination would have the further advantage of giving buyers an incentive to move to the next level, because the discounts would be cumulative in effect. Further motivation to combine '957 and '599 can be found from Moran, et al. (6,185,542 B1), which teaches the interchangeability of store cards and credit or debit cards for customer tracking and promotion and also teaches the cards being used with terminals such as those of '957. The examiner respectfully disagrees with the applicants as to the claims' condition for allowability.

Citation of Pertinent Prior Art

48. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. Walker, et al. in U.S. patent 6,049,778 A teach a reward program. Walker, et al. in U.S. patent 6,327,573 B1 teach a multiple party reward system. Walker, et al. in U.S. patent 5,945,653 A teach identifiers for transactions. Walker, et al. in U.S. pre-grant publication 2002/0133408 A1 teach timed rewards. Weinblatt in U.S. patent 5,515,270 A teaches bar codes and product categories. Jermyn in U.S. patent 6,026,370 teaches a database based on purchasing history. Burton, et al. in U.S. patent 5,025,372 A teach an incentive award program. Haines, et al. in U.S. pre-grant publication 2003/0033211 A1 teach a loyalty program.

Conclusion

49. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP

§ 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

50. A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.


51. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Matthew D. Hoel whose telephone number is (571) 272-5961. The examiner can normally be reached on Mon. to Fri., 8:00 A.M. to 4:30 P.M.

52. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Robert E. Pezzuto can be reached on (571) 272-6996. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Art Unit: 3714

53. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Matthew D. Hoel
Patent Examiner
AU 3714



Robert E. Pezzuto
Supervisory Patent Examiner
Art Unit 3714